

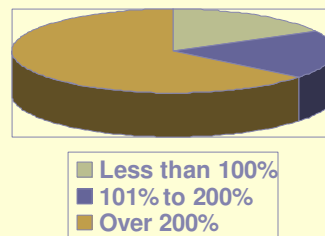
Genesis HealthCare System

COPAM
Early Out and Financial
Assistance
2009

US Population Economic Status

- 15.6M in poverty
- 55.8M in marginal poverty
- Total of 107.4M in need
- 35.8% of all Americans

US Poverty Estimates based on FPL
(US Census 2007)



This is only poverty and does not include higher income consumers in financial distress.

Genesis Self-Pay Options

- Prompt pay discount of 20% if self-pay balance is paid at time of service
- A 15% discount is given if balance is paid within 30 days from receipt of the first statement
- True Self-Pay discount of 30% on medically necessary services (no other discounts apply)
- In-House Payment Plan for up to a 6 month payment plan
- Bank Loan Program, which enables patients to pay balances over a longer period at no additional cost to the patient
- Payroll deduction option for Genesis employees
- Eligibility Assistance Program provides assistance in acquiring government funded coverage through Medicare and Medicaid
- Excessive Medical discount when accumulated medical bills become too disproportionate in relation to earned income
- HCAP/Charity assistance for patients with low income

Uncompensated and Charity Care

- State law requires free hospital care for all Ohioans with incomes at or below the federal the federal poverty level. The program is called HCAP (Hospital Care Assurance Program).
- Genesis also has a sliding scale charity policy based on 300% of the federal poverty level.
- All Genesis's policies and procedures reflect the recommendations established by OHA and ODJFS.

Excessive Medical

- Genesis provides a discount to patients with medical bills in excess of 30% of their annual gross income if they do not qualify for any financial assistance or government program.
- Example:
 - Patient's Income: \$100,000
 - Medical Cost Limit (30%): \$30,000
 - Genesis Bills: \$35,000
 - Patient responsibility written off to Charity Care: \$5,000

Compassionate Collections

- Staff are trained to treat every patient with dignity, compassion, and respect from initial care at the bedside through the entire billing process until long after the patient has left the hospital.
- Even with all the options available to patients, Bad Debt is inevitable. An account is eligible for pre-collection after receiving three statements (90 days) with no response and full collections after an additional 60 days have passed or earlier if the patient is uncooperative.



Electronic Bill Pay

- Patients can view and pay their bills on-line through Genesis's web site.
- Patients can also receive an e-mail notification that their new statement is available online and they are provided with a link to take them directly to the log-on screen on the Genesis's web site.
- We currently take all major credit/debit cards and e-checks
- Patients can even set up recurring payments to be automatically deducted from their bank accounts each month.



Current Electronic Tools Utilized by the Revenue Cycle

- We utilize a vendor to process:
 - Automated Insurance Eligibility checking on every patient encounter registered into Genesis
 - Check multiple payers for eligibility at once
 - Identify data discrepancies between Affinity and the payer
 - Monthly self-pay batch process which checks our accounts against Medicaid's system for eligibility (We have captured over 1.7 million dollars in billable charges in our first year)



Software Tool Overview

Summary:

- Perform Critical Data Element Validation (i.e., ensure basic patient/guarantor information is accurate to minimize rejected claims)
- Assign Propensity-to-Pay score based on Genesis, community and vendor supplied credit history.
- Screen all patients for potential Federal or State funding sources as well as our charity program.
- Enable online enrollment to the hospital charity program.
- Support POS payments (credit and debit cards, and eChecks)
- Ability to stratify self-pay receivables to apply appropriate collector workflow to each account.



Software Tool Overview

Summary:

- Calculate the patient's estimated bill prior to services being rendered.
- Utilize two essential data points to determine the most credible patient estimated bill
 - Payer's contractual allowable charge
 - Patient's current benefits and YTD benefit accumulations
- Incorporate self-pay and prompt-pay discounts
- Recommend payment options based on patient's Propensity-to-Pay score
- Recommend POS deposit based on our collection policy

ED Discharge Desk

- Most of our Bad Debt (as with most hospitals) comes from the ED. We need to address this problem by discussing patient's bills/responsibilities while they are still in the ED. In effect establishing a cultural change and removing the stigma of asking patients for payment.
- We have developed a ED Discharge program and are currently piloting it in one of our ED's. The ED Counselors will perform the following functions utilizing the software modules:
 - Collect co-pays/deductibles
 - Collect deposits from self-pay patients
 - Offer prompt-pay discounts for PIF
 - Explain and establish payment options
 - Screen for Medicaid/HCAP/Charity
 - Refer possible Medicaid accounts to our eligibility vendor for follow up

Questions/Discussion

Eric Bauer
Director Revenue Cycle Management
Genesis HealthCare System
740-586-6600